

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10108 01 OF 02 041820Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-15 AF-10
ARA-10 EA-10 NEA-10 OIC-02 AGR-01 NSCE-00 ICAE-00
SSO-00 INRE-00 DOEE-00 JUSE-00 /153 W
-----017519 041824Z /44

O 041805Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC IMMEDIATE 1634
INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 01 OF 02 GENEVA 10108

USMTN USEEC

ACTION STR

STR PASS CODEL

EO 11652: N/A
TAGS: ETRD, MTN
SUBJECT: MTN: JULY 3 MEETING OF TNC

REF: GENEVA 09963

1. SUMMARY: DAY LONG JULY 3 MEETING OF TRADE NEGOTIATIONS COMMITTEE (TNC) PROVIDED OPPORTUNITY TO REVIEW STATUS OF NEGOTIATIONS. LDC'S AIRED THEIR CONCERNS IN FORCEFUL BUT NON-POLEMIC MANNER. US AND OTHER DC'S MADE UP-BEAT STATEMENTS, EMPHASIZING DESIRE FOR MAXIMUM LDC PARTICIPATION IN FINAL PHASES OF NEGOTIATIONS. MEETING ENDED WITH LONG URGING ALL PARTICIPANTS TO WORK HARD TO ACHIEVE MAXIMUM RESULTS BY JULY 15, WHILE REASSURING LDC'S THAT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 10108 01 OF 02 041820Z

THERE WOULD BE MUCH TO DO IN WEEKS FOLLOWING THAT DATE.
END SUMMARY.

2. GATT DIRECTOR GENERAL LONG OPENED MEETING WITH REVIEW OF STATUS OF NEGOTIATIONS BASED IN "BLUE-BAND" DOCUMENTS RECENTLY CIRCULATED AND HIS UNDERSTANDING OF INTENSIVE BILATERALS IN OTHER AREAS. LDC SPOKESMAN, DR. TOMIC OF

YUGOSLAVIA, READ HARD-HITTING STATEMENT ON BEHALF OF LDC'S (TEXT SENT SEPTTEL) EXPRESSING THEIR FEARS AND APPREHENSIONS THAT NEGOTIATIONS MIGHT BE CONCLUDED WITHOUT TAKING LDC INTERESTS INTO ACCOUNT AS AGREED IN TOKYO DECLARATION. HE RAISED POSSIBILITY THAT LDC'S MIGHT EVEN BE WORSE OFF AFTER THE NEGOTIATIONS WERE COMPLETED DUE TO EROSION OF PREFERENCE MARGINS, ADOPTION OF SELECTIVITY IN SAFEGUARDS, ETC. TO SEEK AVOID THIS POSSIBILITY, HE PROPOSED ACCEPTANCE OF NEW RULE IN MTN DECISION MAKING: "... NO ADOPTION OF A NEGOTIATING DOCUMENT WOULD BE ACCEPTED UNLESS THE LARGE MAJORITY OF PARTICIPANTS DECLARED THEMSELVES IN FAVOR OF IT." TOMIC ALSO NOTED LDC'S WERE NOT ONLY INTERESTED IN SPECIAL AND DIFFERENTIAL TREATMENT (S&D), BUT IN THE DEVELOPMENT OF BASIC MFN TRADE RULES AS WELL, AND CALLED FOR LDC PARTICIPATION IN THE FINAL PHASES OF NEGOTIATIONS IN ALL AREAS.

3. TOMIC'S STATEMENT WAS ENDORSED AND AMPLIFIED THROUGHOUT REMAINDER OF TNC IN A SUCCESSION OF STATEMENTS BY ABOUT 25 LDC SPEAKERS. MOST FREQUENT THEMES WERE FEAR OF ADOPTION OF SELECTIVITY IN SAFEGUARDS, AND INTEREST IN DEVELOPMENT OF CODE ON SUBSIDIES AND COUNTERVAILING DUTIES WHICH WOULD PERMIT LDC'S TO USE EXPORT SUBSIDIES TO PROMOTE NEW EXPORTS. SEVERAL EC-ACP AFRICAN MEMBERS NOTED THEIR INABILITY TO CONTRIBUTE TO TRADE LIBERALIZATION GIVEN THEIR FRAGILE ECONOMIES, WHILE PUBLICLY CALLING ON LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 10108 01 OF 02 041820Z

EC NOT TO ERODE THEIR PREFERENCE MARGINS BY MAKING MFN REDUCTIONS ON PRODUCTS OF KEY INTEREST TO THEM.

4. AS FIRST OF BIG THREE, AMB. MCDONALD MADE CONCILIATORY STATEMENT REVIEWING US EFFORTS TO SOLICIT ACTIVE LDC INVOLVEMENT IN ALL AREAS OF MTN, AND NOTING THAT DOOR WAS STILL OPEN FOR THEIR FULL PARTICIPATION. EC (LUYTEN) DEFENDED SELECTIVITY IN SAFEGUARDS AS CORRESPONDING TO PRESENT DAY REALITIES AND ANNOUNCED (PER RECENT EC COUNCIL MANDATE) THAT EC WOULD BE MAKING WITHDRAWALS ON A FEW PRODUCTS TO MAINTAIN PREFERENCE MARGINS FOR LDC'S. HE DESCRIBED JULY 15 DATE NOT AS CUT-OFF BUT AS TARGET FOR ACHIEVING MAXIMUM AGREEMENT ON MAXIMUM NUMBER OF TOPICS AMONG WIDEST NUMBER OF COUNTRIES POSSIBLE. JAPAN (SAWAKI) MADE BRIEF STATEMENT NOTING VIEWS EXPRESSED BY LDCS AND AFFIRMING JAPANESE DETERMINATION TO REACH SUCCESSFUL OUTCOME OF MTN. AUSTRALIAN AND CANADA SPOKESMAN IN APPARENT ALLUSION TO SAFEGUARDS, NOTED THEY SHARED SOME MEASURE OF CONCERNS EXPRESSED BY LDC'S.

5. IN HIS ORAL SUMMARY, TNC CHAIRMAN LONG CHARACTERIZED STATEMENTS OF CONCERN AS NORMAL AS THE NEGOTIATIONS ENTER

THEIR FINAL STAGES. HE NOTED IMPORTANCE OF ALL VIEWPOINTS BEING HEARD AND TAKEN INTO ACCOUNT, AND INVITED ALL DELEGATIONS TO GET ON WITH THE WORK, WITH THE TNC AVAILABLE TO MEET AS FREQUENTLY AS NEEDED TO KEEP SITUATIONS UNDER REVIEW. AT REQUEST OF INDIAN DEL, LONG AGREED TO CIRCULATE SHORT SUMMARY OF VARIOUS VIEWS EXPRESSED AT MEETING, WHILE REASSURING ARGENTINE DEL THAT MUCH WORK WOULD UNDOUBTEDLY REMAIN TO BE COMPLETED IN WEEKS FOLLOWING JULY 15.

7. COMMENT: LDC APPREHENSIONS WERE FULLY AIRED BUT THEY ELECTED NOT TO PRESS FOR DECISION BY TNC ON SOME POINTS THAT COULD HAVE BEEN DIFFICULT TO RESOLVE. WE ANTICIPATE THERE WILL BE SERIES OF 77 MEETINGS AND SOME FORMAL SUB-LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 10108 01 OF 02 041820Z

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 10108 02 OF 02 041819Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05
L-03 LAB-04 NSAE-00 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-15 AF-10
ARA-10 EA-10 NEA-10 OIC-02 AGR-01 NSCE-00 ICAE-00
INRE-00 SSO-00 DOEE-00 JUSE-00 /153 W
-----017518 041824Z /44

O 041805Z JUL 78
FM USMISSION GENEVA
TO SECSTATE WASHDC IMMEDIATE 1635
INFO AMEMBASSY BRUSSELS

LIMITED OFFICIAL USE SECTION 02 OF 02 GENEVA 10108

USMTN USEEC

ACTION STR

STR PASS CODEL

GROUP MEETINGS DURING WEEK STARTING JULY 10 TO HELP DEFUSE
THEIR COMPLAINT ABOUT BEING LEFT OUT AS JULY 15 PACKAGE
TAKES SHAPE.

8. DRAFTED BY KNEPPER. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMITTEE MEETINGS, TRADE AGREEMENTS, NEGOTIATIONS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10108
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780275-0435
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780797/aaaadejk.tel
Line Count: 176
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cabe7c7b-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 GENEVA 9963
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2122646
Secure: OPEN
Status: NATIVE
Subject: MTN: JULY 3 MEETING OF TNC
TAGS: ETRD, MTN
To: STATE USEEC
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cabe7c7b-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014